



IGTC Policy on Maximum Residue Limit Impacts on the Grain Trade July 2022

Setting the Scene:

The IGTC's overarching objective is to achieve a market and regulatory environment supportive of trade that minimizes disruptions in the international trade of grain, oilseeds, pulses, and derived products. IGTC aims to:

- Support accomplishments toward world food security and economic well-being goals as defined by the United Nations.
- Inform and promote the common/shared interests of international actors that include farmers, producers, exporters, importers, governments, and consumers.
- Foster a safe, predictable, sustainable, affordable, nutritious, and secure food supply across the world, that meets all regulatory requirements.
- Share critical research and expertise on the global supply chain.
- Serve the diverse needs arising from international provision of food, feed, transport and processing for grains, oilseeds, pulses, and derived products.

The International trade of food feeds one in every six people around the globe. Climate change will render international trade even more central to food security, reinforcing the vital role trade plays in the movement from food surplus to food-deficit nations in the wake of natural calamities. Therefore, with the increase in global trade necessary to feed an ever growing population, the importance of standard-setting bodies focused on science and risk-based approaches, for example the work of Codex Alimentarius (Codex), also increases. Enabling this to work more effectively will have a direct impact on trade facilitation and on the safety and quality of the international food trade and ultimately promotes trust among importers, exporters and consumers of products.

However, agricultural trade faces significant challenges due to pesticide related policies in some countries as well as a trend by governments to set their own national lists for Maximum Residue Limits (MRLs). The global misalignment on the establishment of MRLs creates levels that frequently vary from one country to another for exactly the same crop and pesticide combination. Other times, a market may not recognize the application of different MRL levels at origin where the grains and oilseeds are produced and their destination. Countries may lack a process to establish import tolerances or may never established an MRL for a pesticide/crop not used domestically. These missing MRLs will also impede trade, food security and innovation.

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IGTC Principles Related to Crop Protection Products (CPP):

1. Consumers are one of the main beneficiaries of improvements in MRL setting, in the implementation of trade-enabling solutions and science-based risk assessments as the basis for regulation.
2. The rules for crop protection product MRL setting and residue management are necessary for legal certainty. Clear, predictable, and consistent policies, regulations and procedures must be established to facilitate trade.
3. MRLs should be based on internationally accepted risk assessment principles as established by the OECD's Programme on Pesticides and Sustainable Pest Management, which provides guidance to governments in assessing agricultural pesticides.
4. Regulatory coherence which provides trade-enabling solutions across exporting and importing countries is key to supporting the trade of grain used for food, feed and processing and needs to result in manageable MRLs.
5. Missing, low or misaligned and scientifically unjustified MRLs create significant uncertainty for global grain trade. Both governments and the private sector have a role in developing and implementing trade-enabling solutions.
6. Sampling and testing methods for MRLs as they apply to grain for food, feed and processing must be practical, coherent and provide for least trade distortive measures.
7. Regulatory transparency of decisions and sharing of information based on accepted international protocols is fundamental to ensuring regulatory compliance within transboundary movements. Transparency will also assist to identify and mitigate against any risks and prevent trade disruption of non-compliance. We encourage countries to share information on existing MRLs for grain used for food, feed and processing.
8. Information on existing and proposed MRLs for grain used for food, feed and processing including the reasons for changes must be available to all stakeholders and notified through WTO SPS system, giving stakeholders adequate time to review and comment.

IGTC Policy on Trade Enabling Solutions for MRL Related Matters

Measures that facilitate trade will have a significant impact in the fight against current challenges with climate, food security or geopolitical tensions and help ensure the flow of food, protect the food security of the most vulnerable, provide predictability for importers and exporters, thereby preventing disruption to supply. In particular,

1. MRLs encourage correct application of crop protection products and indicate the highest level of a product residue legally tolerated in any jurisdiction. IGTC supports aligned and robust international MRL standards based on sound science and risk assessments to facilitate trade and improve food security. Regulations should not arbitrarily or unjustifiably discriminate between countries where identical or similar conditions prevail, as this may lead to trade disruption.
2. Promotion of WTO Member countries' use of existing international MRL standards, guidelines and recommendations where they exist to reduce the occurrence of MRL-related

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matters becoming barriers to trade “without requiring Members to change their appropriate level of protection of human, animal or plant life or health”¹.

3. To manage cases where an MRL or import tolerance has not been formally established for the grain commodity in question in an importing country, IGTC encourages all countries to use available Codex MRLs as an automatic, temporary measure until the country in question completes its evaluation process and formally establishes an MRL. Codex MRLs are established on a voluntary basis for global use and governments can choose to use these MRLs.
4. Additionally, if there are no MRLs established in the importing country or at Codex, IGTC encourages countries to apply MRLs as adopted in exporting countries as a temporary measure until an MRL is formally established by the country in question or by Codex.

IGTC Support for Enhancing Codex MRL Development and Review

IGTC supports enhancing Codex MRL establishment and chemical review processes and recognizes the importance and value of the Codex MRL process. We see the need:

1. To continually review and improve processes to address the growing demands upon Codex.
2. To speed up the process of adoption of new MRLs and to review existing MRLs within required timelines for greater compliance with Codex principles and policies.
3. To increase the availability of experts to provide scientific advice (i.e., JMPR) particularly from underrepresented regions of the world and to explore with governments improved funding mechanisms for training and maintaining those experts.
4. For JMPR to explore options to short track decision making processes provided risk principles are not compromised.
5. To secure adequate and sustainable financing of Codex to support activities such as scientific advice and to assist all countries participation in Codex. Stable and predictable resources are necessary for this fundamental area of work.
6. To improve efficiencies and methodologies such as maximizing the use of electronic tools, standardizing data submission tools and strengthening communication methods in the review processes. These vehicles will help accelerate the establishment and review of MRLs and increase global harmonization.
7. To reduce unnecessary time delays in the adoption of a Codex MRL where prior assessments by member countries (e.g., global joint reviews) could form the basis of a Codex assessment thereby shortening the timeframe to approval.
8. To consider processes whereby Codex MRLs could be established around the same time or soon after a new active ingredient or use is approved nationally, thereby reducing the risks of non-compliance of these new uses on crops entering the international trading system.

¹ Ref: The WTO Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement) ([link here](#))